



Austin City Council MINUTES

For SPECIAL CALLED MEETING - DECEMBER 16, 1986 - 4:00 P.M.
CENTRAL LIBRARY, FOURTH FLOOR AUDITORIUM, 800 GUADALUPE

Council Chambers, 307 West Second Street, Austin, Texas

City Council

Frank C. Cooksey
Mayor

John Treviño, Jr.
Mayor Pro Tem

Council Members
Mark Rose
Smoot Carl-Mitchell
Sally Shipman
George Humphrey
Charles E. Urdy

Jorge Carrasco
City Manager

Elden Aldridge
City Clerk

Memorandum To:

Mayor Cooksey called to order the special called meeting of the Council, noting the presence of all Councilmembers. The Mayor announced Council would go into executive session pursuant to Article 6252-17, Texas Revised Civil Statutes Annotated, to discuss the following matters. No action to be taken except in open session.

1. Land Acquisition - Section 2, Paragraph f.
 - (a) Consider lease/purchase of the Sumiken Building
 - (b) Consider lease/purchase of the Avante Building
 - (c) Municipal Office Complex Lease Consolidation

RECESS

Council recessed its meeting at 4:30 p.m. for the executive session and resumed its recessed meeting at 5:52 p.m.

LEASE/PURCHASE SUMIKEN BUILDING

Motion

Councilmember Shipman made a motion, seconded by Councilmember Carl-Mitchell to approve the five documents described in the resolution and authorize the City Manager to proceed with the marketing of the lease/purchase of the Sumiken Building.

Councilmember Humphrey read the following statement:

The purchase of this building(s) is one of the largest municipal real estate transactions in the history of Central Texas. Considering the City's high per capita bonded indebtedness and rising utility rates, it makes it that much more important that the purchase of this building(s) be economical and "a good buy" for the people of Austin.

I have been in the real estate business for the last decade, renovating homes, shopping centers and apartment complexes. In the last three months of studying this purchase, I have learned a great deal. It is no secret that the City of Austin is overbuilt and oversupplied with office buildings right now, and that real estate prices have come down. My position during these discussions has been that the City is in a strong negotiating position and could negotiate an excellent purchase price.

I feel it is my duty to vote against the purchase of this building(s) at the present price. I have given this vote a great deal of time and consideration. The reason I voted against this building(s) is very simple: the price does not come close to the independent cost appraisals--especially in today's soft market. It is my feeling that this is inappropriate.

Roll Call on Motion

5-2 Vote, Councilmembers Humphrey and Rose voted NO.

LEASE/PURCHASE AVANTE BUILDING

A complete transcript is on file of all comments made by Council concerning this item. Transcript is in the City Clerk's Office.

Motion

Mayor Pro Tem Trevino made a motion, seconded by Councilmember Urby to accept the Avante lease/purchase at a cost of \$9.6 million for 60,000 square feet, plus 220 parking spaces and staff is instructed to finalize legal documents for closing. Motion passed by a vote of 5-1-0 with Councilmember Humphrey voting No and Mayor Cooksey abstaining.

ADJOURNMENT

Council adjourned its meeting at 6:30 p.m.